

**United States House of Representatives
Subcommittee on Social Security
of the Committee on Ways and Means**

**Written Testimony for the Record of
Joe Dirago, President
National Council of Social Security Management Associations, Inc.**

**Oversight Hearing on Social Security Administration
Field Office Service Delivery
April 15, 2010**

Chairman Pomeroy, Ranking Member Johnson, and members of the Subcommittee, my name is Joe Dirago and I am President of the National Council of Social Security Management Associations (NCSSMA). I have been the manager of the Social Security office in Newburgh, New York for eight years and have worked for the Social Security Administration for 30 years, with 26 years in management positions. On behalf of our membership I am pleased to have the opportunity to submit this written testimony to the Subcommittee.

NCSSMA is a membership organization of over 3,400 Social Security Administration (SSA) managers and supervisors who provide leadership in nearly 1,300 Field Offices and Teleservice Centers throughout the country. We are the front-line service providers for SSA in communities all over the nation. We are also the federal employees with whom many of your staff members work with to resolve issues for your constituents who receive Social Security Retirement, Survivors or Disability benefits, or Supplemental Security Income. From the time our organization was founded over forty years ago, NCSSMA has been a strong advocate of efficient and prompt locally delivered services that are essential to meeting the diverse needs of beneficiaries, claimants, and the general public. We consider our top priority to be a strong and stable Social Security Administration, one that delivers quality and prompt community based service to the people we serve, your constituents.

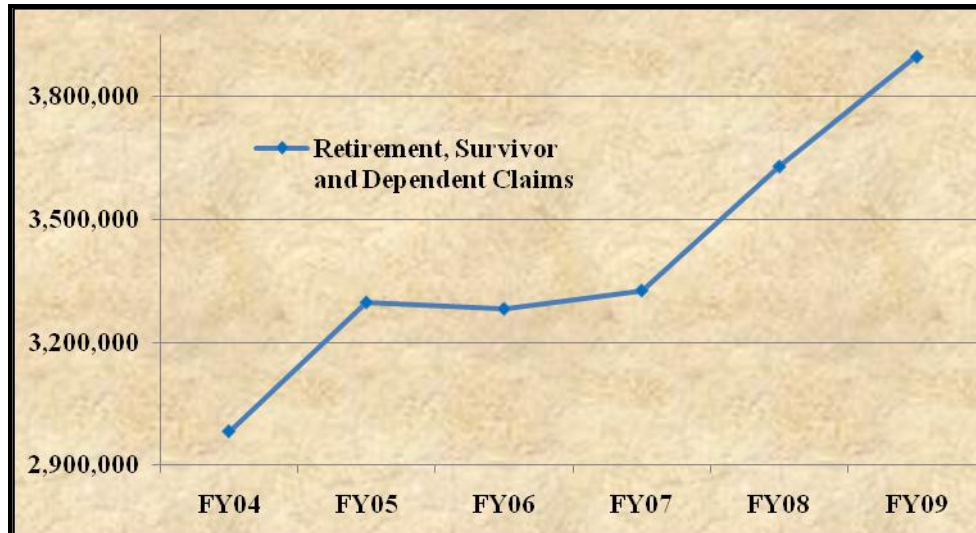
In January 2009 the Government Accountability Office (GAO) released a report titled, “**Social Security Administration: Service Delivery Plan Needed to Address Baby Boom Retirement Challenges.**” (See: <http://www.gao.gov/new.items/d0924.pdf> to view the full report.) This report highlighted many of the challenges that SSA Field Offices are facing. Despite agency strategic planning, expansion of SSA online services, significant productivity gains, and the best efforts of Field Office management and employees, many of the challenges identified in this report still remain 15 months after it was released. The core reason is that the amount of staff resources provided to SSA Field Offices is not sufficient to address the rising workloads. The Commissioner’s recent reassessment of agency resources resulting in a decision to approve 900 new hires for front-line positions in Operations will help to address the unprecedented workloads confronting some of the most stressed SSA Field Offices.

Our testimony will focus on the key issues identified in the aforementioned GAO report. We will provide information on the current state of Field Office operations, the continuing service delivery challenges in Field Offices, and finally our suggestions for improving the situation.

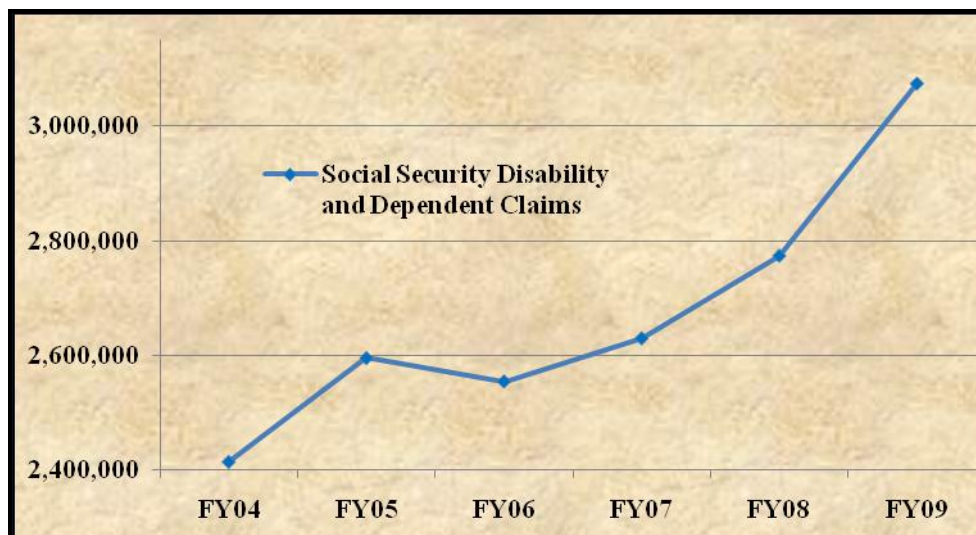
CURRENT STATE OF SSA FIELD OFFICE OPERATIONS

Claims Workloads

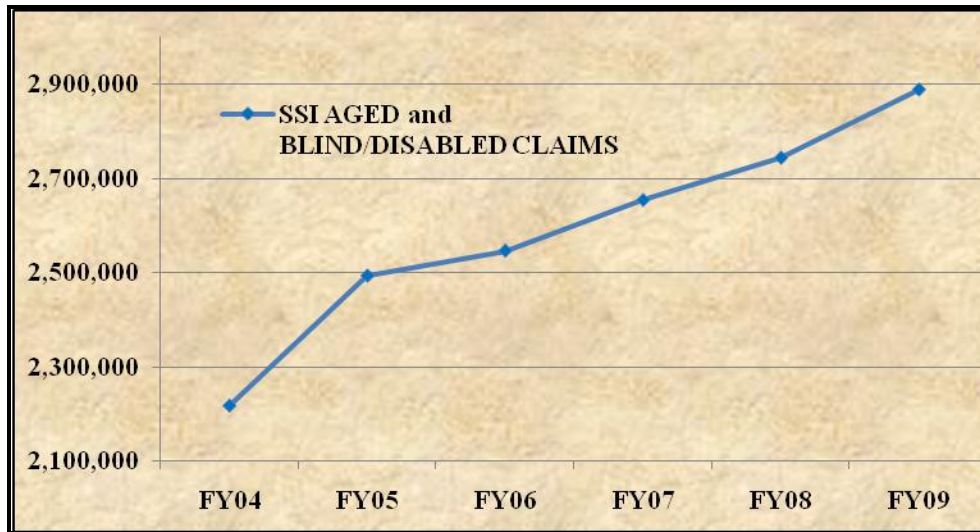
As evidenced in the charts below, over the last six years, Field Offices have experienced a steady increase in Retirement, Survivor, Dependent, Disability and Supplementary Security Income claims.



From FY 2004 to FY 2009 Social Security Retirement, Survivor and Dependent Claims increased from 3.0 million to 3.9 million



From FY 2004 to FY 2009 Social Security Disability and Dependent Claims increased from 2.4 million to 3.1 million.



From FY 2004 to FY 2009 Supplemental Security Income Aged, Blind/Disabled increased from 2.2 million to 2.9 million

The increased number of claims is being driven by the initial wave of the nearly 80 million baby boomers who will be filing for Social Security benefits by 2030. At the same time there has also been a surge in claims filed due to the economic downturn, which began in 2008. In FY 2010 and FY 2011 disability and retirement receipts alone are expected to be over 1 million more than received in FY 2008.

Field Office Visitors and Telephone Service

While SSA Field Offices are processing many more claims, we are also seeing visitors in much greater numbers. From FY 2004 to FY 2009 visitors increased from 41.9 million to 45.1 million. In Fiscal Year 2010, there have already been five weeks in which SSA Field Offices have experienced over 1 million visitors, compared to only two weeks all of last fiscal year.

SSA Field Offices received an estimated 58 million business related telephone calls in Fiscal Year 2009. This is an increase of 4 million calls over the 54 million received in Fiscal Year 2008. In Fiscal Year 2009 Teleservice Centers received about 60 million telephone calls, up from 57 million in Fiscal Year 2008.

The busy rate for Field Offices telephones has averaged about 49% for the period of Fiscal Year 2004 through 2009. However, the busy rate has increased to 55% in Fiscal Year 2008 and 58% in Fiscal Year 2009. In the Teleservice Centers the busy rate average was approximately 9% from Fiscal Year 2004 through 2009. In Fiscal Year 2009 the busy rate in the Teleservice Centers was 8.1%.

Internet Contacts

The use of SSA's website is growing and the American public is accessing it more to receive information and report changes. The website had 4.322 million unique visitors in February

2010. In FY 2009 there were 6.045 million post-eligibility transactions through SSA's website, up from 4.503 million in FY 2008. There have been 2.913 million transactions from October 2009 through February 2010. Examples of transactions being completed on SSA's website include change of addresses, direct deposit changes, Medicare card replacements, and reissuance of 1099s. In FY 2009, there were also 34.2 million contacts to the Frequently Asked Questions section at SSA's website and 12 million contacts to use the Field Office Locator menu.

The expansion of services available to the American public via the Internet has helped somewhat to alleviate the number of visitors and telephone calls to the Field Offices. However, at this point, the Internet services currently available represent only a fraction of the total workloads being addressed by SSA Field Offices. In spite of SSA's efforts to educate the public regarding Internet services, the willingness and ability of individuals to utilize the Internet cannot keep pace with the increasing demand for service. A breakdown of the types of contacts during FY 2009 is provided below:

Type of Contact	Universe of Contacts	Percentage (%) of Total
Field Office Telephone Callers	58,000,000	55.40%
Field Office Visitors	45,100,000	43.10%
iClaims	1,500,000	1.40%
Total Contacts	104,600,000	100.00%

SSA has improved the retirement Internet application. A new version was released in Fiscal Year 2009 and it is more user-friendly for the public. The volume of online retirement claims continues to grow and has increased to 36% of claims filed in FY 2010 through the month of February. This is an increase of 7% over the same period in FY 2009. Field Offices take 55% of the retirement claims and Immediate Claims Taking Units via the 800 Number process 9% of the total.

For online retirement claims, Claims Representatives still need to carefully review the application and talk to the applicant about their answers to ensure the applicant clearly understands the choices regarding when to start receiving their benefits. There have been some misunderstandings about the necessity to have the Claims Representative perform this review. SSA leadership has made clear that this review is still required. Although Internet claims do require a thorough review the end result of what SSA Field Offices adjudicate is good.

The volume of disability claims submitted via the Internet has increased to 24% of claims filed in FY 2010 through the month of February. This is an increase from 18% in FY 2008. Field Offices have taken 70% of disability claims, which includes office visits and teleclaims.

Post-eligibility Workloads

In addition to the workloads outlined above, SSA Field Offices process a significant volume of post-eligibility workloads for the 56 million beneficiaries and recipients.

- Approximately 2.42 million SSI redeterminations will be processed in Fiscal Year 2010 by SSA Field Offices. This is twice the number processed in FY 2008. Completing SSI

redeterminations helps to improve the accuracy rate of SSI payments.

- SSA Field Offices are also receiving about 800,000 SSI ePath cases a year. These are electronic transfers of SSI claimant reports from the Teleservice Centers to SSA Field Offices. This is the core workload of approximately 250,000 SSI post-eligibility Stand Alone Events that are currently pending in SSA Field Offices.
- There are over 200,000 Modernized Development Work Cases (MDW) pending in SSA Field Offices. These are generally post-eligibility requests for additional development that needs to be done on a case.
- A significant workload is SSI Monthly Wage Reports, which are reports of wages earned by SSI recipients. In the past year, Field Offices have handled about 1.9 million of these cases. In Fiscal Year 2006 there were only 750,000 of these reports. These workloads are included in the total number of SSI changes that need to be input into SSA's computer system. In Fiscal Year 2009 there were over 11.5 million of these transactions.
- Another post-eligibility workload of significance for SSA Field Offices is work Continuing Disability Reviews (CDRs). These are cases in which a Social Security Disability beneficiary returns to work and this must be investigated to see if benefits need to be adjusted. This workload is very labor intensive and if it is not worked in a timely manner can lead to large overpayments. In Fiscal Year 2009, Field Offices processed over 166,000 of these cases. Currently there are about 50,600 of these cases pending. This is an improvement from a year ago when about 66,000 were pending.
- Social Security and SSI overpayments must also be addressed by Field Offices. Unfortunately there are hundreds of thousands of Social Security overpayment cases each year. In Fiscal Year 2009 there were over 756,000 Social Security and over 2,101,000 SSI overpayment cases handled by SSA Field Offices. Currently there are about 42,000 Social Security overpayment and 171,000 SSI overpayment cases pending in Field Offices.
- Representative Payee Accounting Cases is another post-eligibility workload that has a significant impact on SSA Field Offices. The number of recorded processed Representative Payee Accountings has increased from 522,000 in Fiscal Year 2004 to 1,978,000 in Fiscal Year 2009. This is a 379% increase in a seven-year time span. Currently there are about 190,000 Representative Payee Accounting and Electronic Payee Accounting Exceptions pending in SSA Field Offices.

In addition to the post-eligibility workloads mentioned above, Field Offices also must initiate and finally process all medical CDRs. In FY 2010 Field Offices will need to initiate 329,000 medical CDRs. But a report released on March 30, 2010 by SSA's Office of Inspector General (OIG) identifies that there is a significant need to increase the number of medical CDRs conducted. All of these must flow through the Field Offices in addition to the DDSs. The full report is available at: <http://www.ssa.gov/oig/ADOBEPDF/A-07-09-29147.pdf>, but in part, the OIG report points out:

“According to SSA, budgetary constraints caused a shortfall between the number of CDRs due and the number conducted each year. Therefore, SSA estimates a backlog of 1.5 million full medical CDRs by the end of FY 2010.

We estimate SSA could potentially identify lifetime Federal benefit savings of almost \$15.8 billion if it had the resources to conduct all 1.5 million full medical CDRs in FY 2010...To avoid benefit payments to individuals who are not entitled, SSA needs sufficient resources to conduct all CDRs when they become due. However, SSA faces resource challenges in being able to perform the CDRs that become due each year and, at the same time, meet the growing need to serve the public. This challenge is heightened given the need to eliminate the full medical CDR backlog.

We recommend SSA continue to work with Congress to secure the funds necessary to eliminate the existing full medical CDR backlog and to conduct the CDRs that become due each year. To the extent that resources are not available to conduct the CDRs that become due each year, SSA should report the reasons and the associated impact on Federal benefit payments in its annual CDR Report to Congress.”

CONTINUING FIELD OFFICE CHALLENGES

Staffing Inadequacies

The aforementioned information clearly shows that workloads are growing at a rapid pace in SSA Field Offices. This is despite the increased use of the Internet for claims and post-eligibility transactions. Certainly, the Commissioner’s recent decision to approve 900 new hires for front-line positions in Operations will help Field Offices to address workload challenges, but additional staff is still needed.

At the end of Fiscal Year 2009, SSA Field Office staff had only increased about 721 full-time positions from FY 2004. SSA Field Office staffing levels were negatively impacted beginning in Fiscal Year 2005 due to budget constraints. By the end of Fiscal Year 2007, SSA Field Office staff was nearly 2,000 full time positions below the current level. Positive budgets in recent years, combined with Recovery Act funding have allowed the agency to regain lost ground. SSA Field Office staffing was scheduled to increase by about 79 positions in Fiscal Year 2010, but the recently authorized new hires for Operations will increase that amount by up to an additional 900 positions. Field Office staffing is projected to stay level in Fiscal Year 2011.

The President’s proposed budget for FY 2011 indicates that SSA will have a short fall of 3,100 workyears in Fiscal Year 2011. This is an increase from a workyear shortfall of 2,200 workyears in Fiscal Year 2010. A key reason for the increase in this short fall is that there is only enough funding in the proposed FY 2011 budget for a one-to-one replacement of staff in SSA Field Offices. (Note, this may be adjusted with the Commissioner’s recent decision to hire an additional 900 employees in SSA’s Operations components which include SSA Field Offices.) The additional funding above inflationary costs in the FY 2011 budget will be directed to add staff and additional resources to the Hearing Offices and DDSs to continue reduction of the backlogs in disability claims and hearings. DDS workyears are projected to increase 2,745

workyears or 19.3% from Fiscal Year 2009 to Fiscal Year 2011. The Hearing Offices are adding about 1,400 positions or 15% from Fiscal Year 2009 to Fiscal Year 2011.

The Commissioner submitted an independent budget for SSA for Fiscal Year 2011. The proposed amount for the Limitation on Administrative Expenses (LAE) account was \$13.1 billion, which is \$721 million more than the President's proposed budget. The Commissioner's budget would have increased SSA staffing by an additional 3,758 positions above Fiscal Year 2010. The President's proposed budget for Fiscal Year 2011 increases SSA's staffing by only 614 positions over Fiscal Year 2010. (These increases do not include the DDSs.)

The Commissioner's proposed budget would have lowered the backlog in SSA offices from 3,100 to 200 workyears which is nearly a 94% reduction. These backlogs are specifically outlined under the section on post-eligibility workloads.

Internet Challenges

At this time, many of the high volume type interviews currently processed in Field Offices are not available on the Internet or are only being used by the public to a limited degree. Social Security cards and benefit verifications represent 16.7 million visitors or 37.3% of all visitors to SSA Field Offices. Also, many of the telephone calls received in Field Offices are for inquiries related to these workloads.

1. Social Security cards cannot be processed online because there are security and authentication issues. There were 11.5 million visitors to SSA Field Offices in Fiscal Year 2009 who requested assistance with Social Security cards and as a result, 12.855 million new and replacement Social Security cards were issued. This represents about 25.7% of all visitors.
2. In Fiscal Year 2009 there were 18.167 million requests for benefit verification statements and 5.2 million visitors to SSA Field Offices requested this service. This represents 11.6% of all visitors. There were approximately 500,000 benefit verifications requested online in Fiscal Year 2009. One of the reasons the public does not utilize online benefit verification services is that it takes about 10 days for an individual to receive the response in the mail after an online request. However, individuals often need verifications immediately and consequently visit an SSA Field Office to obtain their verifications.

SSA is working on the necessary authentications to allow more transactions to be processed via the Internet. If individuals were able to successfully transact their request for services online, this would result in fewer visitors and telephone calls to the Field Offices, thereby reducing the amount of time in-office visitors would wait for service. In Fiscal Year 2009 the average national waiting time was nearly 22 minutes, but in many urban areas waiting times are much higher. For example, in Houston, New York City, San Francisco, and Chicago offices, waiting times average 30-40 minutes.

Internet retirement claims are still a Field Office workload that must be reviewed, processed and ultimately adjudicated by a Field Office. Applicant recontacts are the rule, not the exception. Visits to the Field Office by Internet applicants are not infrequent. While Internet retirement claims do save time for Field Offices, there is often still a significant amount of work necessary to complete the processing of the case.

An example of where it is important to discuss an Internet retirement claim is for a farmer who has carry over crop sales. That farmer may decide to file for benefits at the beginning of the year rather than take benefits in the fall when they aren't farming. Another example that Field Offices have seen problems with are retirement claims filed by Corporate Officers. In these cases we need to further develop their working status to determine entitlement to benefits.

A significant challenge for SSA Field Offices has been the processing of disability Internet applications. These applications are much more complex and need to be carefully reviewed by a Field Office Claims Representative. SSA has improved the Internet medical form (i3368) recently, and SSA Field Offices are seeing improved completion of the forms. However, there is still a need to recontact claimants in a high percentage of Internet disability cases filed and these can be fairly time consuming to resolve. The most significant problems related to Internet disability claims are the following:

1. The medical provider information sent to the Disability Determination Service (DDS) often needs to be corrected. Claimants often do not complete the name of the provider, the address, the dates of exams and other medical information correctly. This necessitates a significant expenditure of Field Office staff time for corrections on almost every disability claim before it is sent to the DDS. SSA is working to improve this process.
2. Every disability claim requires signed medical releases. The Internet application process directs claimants to return signed medical releases, but in the majority of cases Field Offices do not receive signed releases. As a result, Field Office contact with the claimant is required. SSA is working to address the legal issues that would allow electronically signed medical releases. When this will occur is uncertain.
3. A significant percentage of the claimants filing on the Internet may also qualify for SSI benefits. There is no Internet version of the SSI application. Although SSA is working on developing one, the release of this application is several years into the future.

Field Offices are also having difficulties with some law firms that advertise nationwide to take claims and appeals for claimants. The work product is often deficient, or some send us only skeleton Internet applications. Often we spend months trying to get all the information we need to process the claim, which disadvantages the claimant. Many attorneys will not file their claims and appeals electronically. Field Offices have to manually load these paper applications into our system, which is labor intensive. We believe there should be greater accountability for law firms that represent claimants; otherwise they should collect their own fees instead of SSA doing so.

Field Office Telephone Service Issues

As previously noted, SSA Field Office telephones currently have a 58% busy rate. This compares to a busy rate of about 8% in the Teleservice Centers. It is also important to note that of the callers that couldn't get through in an earlier attempt, only 49% were satisfied with Field telephone access. Why is there such a divergent busy rate? The primary reason is that Field Offices are not sufficiently staffed to answer the telephones and to handle all of their other workloads.

By law, all SSA notices must include the local telephone number in addition to the 800 Number. SSA must also publish the Field Office telephone number in the local phone directories, and online for those Field Offices that published their local phone number as of September 30, 1989.

As a result, SSA Field Offices have been overwhelmed with telephone calls for years. Unfortunately, Field Office telephone service remains poor and insufficient levels of personnel resources have been allocated to address this service delivery issue over the years. The agency's focus has been the toll free 800 Number. NCSSMA believes that Field Office telephone service does not receive proper attention. If all calls to SSA (including Field Offices) were included, the busy rate would be over 30%, which is substantially higher than the 8.1% busy rate for Teleservice Centers alone.

As early as 1999, the Social Security Advisory Board (SSAB) addressed the issue of SSA Field Office telephone service in their report, "How the Social Security Administration Can Improve its Service to the Public." See: <http://www.ssab.gov/Publications/ServicePublic/stpweb.pdf>. The report stated,

"SSA should consider whether over time all field office telephone numbers should be placed in local telephone books. We understand that the agency wants to encourage use of its 800 number, and it should continue to do so. We also understand that at the present time there are too few employees in many offices, particularly urban offices, to answer the number of calls they are currently receiving, and that a change of policy would require additional resources. Over the long term, however, we believe it is unreasonable to have a policy that provides unequal telephone access to local offices based on where people live. In making its decision on how to proceed on this issue, the agency should measure and take into account the needs and expectations of the public."

In 2009, nearly ten years later, GAO released the report mentioned earlier in this testimony, **"Social Security Administration: Service Delivery Plan Needed to Address Baby Boom Retirement Challenges."** This report discusses similar issues that remain unresolved. Near the end of this report GAO recommended that SSA develop a service delivery plan that details how the agency will deliver quality customer service in the future while managing growing work demands with constrained resources. GAO indicated that this plan should establish standards for Field Office customer waiting times and phone service to help identify and improve offices with poor service.

SSA did not agree with the GAO recommendation, stating in part,

"To achieve standards for waiting times and answering phone calls, managers would have to dedicate more staff to these areas at the expense of processing claims and post-entitlement workloads."

GAO's comments in response to the agency indicated the following:

"While we understand that SSA field offices face many pressures, we believe that clear standards that establish a minimum level of quality of customer service are an essential first step for organizations to measure success. Absent customer service standards, long field office waiting times and inadequate field office phone service are problems that risk becoming entrenched."

This exchange between SSA and GAO is the crux of the issue in trying to improve Field Office telephone service. The agency has set expectations for the 800 Number and has placed a higher

percentage of its additional resources into answering telephone calls to the Teleservice Centers rather than the Field Offices. The following chart provides information related to staffing changes in Teleservice Centers vs. Field Offices. During this 13-year period there has been an enormous increase in Field Office workloads, but the number of telephone calls coming into the Teleservice Center and Field Offices has remained approximately equal.

	On Duty Staffing TSCs	On Duty Staffing Field Offices
End of FY 1996	3,033	27,619
End of FY 2009	5,047	29,409
Percentage Increase	66.40%	6.50%

In many ways the situation for Field Office telephone service is becoming more challenging. After the publication of the GAO report and the joint hearing held by the Social Security Subcommittee and the Income and Security Subcommittee in 2009, SSA initiated changes to improve Field Office waiting times. As a result, there has been improvement in waiting times. But to accomplish this, many Field Offices must shift staff away from answering telephones to address visitors walking into the Field Offices.

Field Office telephone service is not often discussed. While focusing on keeping the busy rate under 10% for the 800 Number is laudable, a busy rate of over 30% when including Field Office calls is not.

In February of this year, NCSSMA completed our seventh Survey of Management. 67.8% of the SSA Field Office managers polled responded that to a moderate or very large degree the increase in walk-in traffic in SSA Field Offices is attributable to the inability of Field Offices to provide prompt telephone service. In addition 71.7% of the SSA Field Office managers polled have to reassign staff “frequently” or “very frequently” from answering telephones to assist with handling walk-in visitors in their effort to reduce waiting times.

The following quotes from our managers demonstrate this dilemma:

“I go into my reception area from time to time to talk to our visitors. Many tell me they tried to call but could not get through. I have a tiny office and we have over 100 visitors each day—probably we could get that down to 60 or 70 if we could answer our phones in earnest.”

Another manager stated,

“Answering the telephone is a constant battle in the Field Office. The Field Office has to dedicate at least one employee just to answer the incoming General Inquiry line. However, when there are days that the Field Office has visitors waiting over 30 minutes, management has to pull the employee off the telephone in order to assist with the reception. If not, our waiting time will be over 30 minutes resulting in not meeting the waiting time goal.”

And finally another manager stated,

“We have competing demands with trying to keep our phones answered and our wait time under 30 minutes. The lobby wins over phones every time.”

The core reason for the high busy rates for Field Office telephones is not having adequate staff to address the service delivery challenges. In fact, nearly 89% of our managers stated that more staffing was most needed to improve telephone service. Related to this problem is that about 60% of the offices can afford to assign only one person to answer the General Inquiry line each day. Our survey also found that nearly 95% of the SSA Field Office managers who responded believed that the public would be better served by placing an additional Service Representative in a Field Office to answer calls instead of in a Teleservice Center.

SSA is involved in replacing our telephone equipment with Voice over Internet Protocol (VOIP). Over the next two years, this project will replace all telephone equipment in the Field Offices. The new equipment which is now installed in about half of the Field Offices provides in depth Management Information with detailed information on the answer, busy and abandoned rates of calls. The information further confirms our busy and abandoned rates run in the 50-60% range, and much higher in some areas. This initiative ensures that Field Offices will have quality equipment, but does not significantly improve our ability to answer the phones.

Quality of Service Concerns

With the ever increasing workloads SSA Field Offices must handle, concerns exist about the quality of work being performed, particularly in the SSI area. While Field Offices are working at a high rate of production, their primary focus is on getting work processed, oftentimes at the expense of quality. Given the significant overall dollars involved in SSA's payments, even the slightest errors in the overall process can result in large improper payments.

- According to a November 2009 OMB report, in FY 2009 SSA had an improper payment rate of nearly 12.1%, one of the highest in the Federal Government.
- A November 2009 study by the SSA Office of Inspector General stated that for the 5-year period ending in FY 2008 SSA paid \$204.5 billion to SSI recipients. Of that total, \$16.6 billion was overpaid, representing 8.1% of outlays. Underpayments during this same 5-year period totaled \$3.4 billion or 1.7% of outlays.
- In July 2009 the Office of Quality Performance released a study on SSA accuracy. This study said SSI overpayment accuracy was 89.7% in Fiscal Year 2008 and the projected overpayment dollars were \$4.648 billion. In Fiscal Year 2005 the SSI overpayment accuracy rate was 93.6%. The accuracy rate has declined for 3 straight years.

The SSA Office of Inspector General stated that completing additional SSI redeterminations will help to reduce the error rate because SSA will identify these incorrectly paid dollars earlier. In FY 2010, Field Offices will complete about 1.2 million more SSI redeterminations than in FY 2008. This is nearly a 100% increase in SSI redeterminations. The employees processing these cases are working at a very high rate of production and it is challenging to have sufficient time to review cases adequately for accuracy. Improving the process means not only completing more SSI redeterminations, but also having sufficient time to review work to ensure a quality product.

A significant number of SSA Field Offices are working significant overtime hours to keep up with the increased claims and the additional SSI redeterminations being worked. Many offices are working Saturday overtime and opening to the public to keep up with workload demands. We are concerned that working large amounts of overtime on an ongoing basis without adding more staff will have negative consequences.

In our February 2010 Survey of Management, nearly 83% of the managers who responded stated that the number of case reviews done in their offices was not sufficient to ensure a quality product. In addition, nearly 73% said that two or fewer quality reviews were conducted per employee per month. Finally, over 87% of the SSA Field Office managers reported that they receive at least one complaint from the public per week regarding the accuracy or timeliness of the work processed in their office.

The following are quotes from our managers:

"I think the quality is worse than we realize but no one has time to really review cases so we don't know how bad it really is."

Another manager stated,

"It has been a long time since SSA has focused on quality. We do not have any quality standards or goals and only a tiny percentage of cases receive any type of quality review."

The core problem relative to addressing quality concerns is the time and pressure to complete workloads. This has been a historic challenge in SSA and can lead to considerable stress. In our Survey, nearly 81% of our managers considered excessive workloads to be the greatest work-related stressor in offices. Nearly 98% of respondents reported that neither they nor the Technical Experts in their offices had the time to conduct additional quality reviews. Also, almost 72% stated inadequate staffing was the first or second greatest obstacle to ensuring a timely and accurate work product from their office. 61% said that competing operational priorities were the greatest obstacle.

One manager who cited adequate staffing as the greatest obstacle said,

"With the volume of work to process and the stress to process the work timely, I think that quality suffers from adjudicating and processing workloads too quickly."

Another manager stated,

"Excessive reliance on automation in order to justify reducing staff in Field Offices is causing a marked decrease in accuracy of the work product. As a result, we have more time spent on the backend cleaning up errors and collecting overpayments."

And another manager stated,

"The bottom line is we do not have enough staff to do regular work reviews."

SSA is making efforts to improve quality of the work product with its new trainees. Most offices are doing proficiency reviews after new employees complete their training class. This will help

develop a more technically proficient employee and improve our quality. But after a trainee is taken off reviews, the number of cases reviewed for an employee often decreases significantly, primarily due to workload pressures.

Historically SSA places a high priority on meeting workload goals. This is often tied to the yearly workload standards SSA sets that are then reported to Congress. The agency's message is that we will meet these goals. It is becoming more difficult to meet workload goals and to address quality concerns without additional Field Offices resources.

The Impact of Legislative Mandates and Court Decisions

It is important to note that underfunding of SSA is not the only reason for the challenges facing the Field Offices. Increased responsibilities for SSA have added to our workloads and contributed to a degradation of our service. New congressional mandates (prisoner reviews, Part D Medicare, SSI sanctions, SSI dedicated accounts, increased Representative Payee reviews, etc.) have certainly impacted our workloads.

SSA Field Offices must also divert their resources to comply with court case decisions that impact all offices. The following two examples illustrate this challenge.

- On September 24, 2009, the United States District Court in the Northern District for California approved a nationwide class action settlement agreement in the case of *Martinez v. Astrue*. The settlement reduces the number and type of felony arrest warrants that SSA will use to prohibit payment of Social Security and SSI benefits. Under the settlement, SSA also was ordered to pay some beneficiaries who previously had benefits suspended as fugitive felons. SSA estimates that as many as 100,000 Social Security and SSI beneficiaries could receive retroactive payments totaling approximately \$700 million. In some cases, individual retroactive payments could be \$45,000 or more.
- The October 20, 2009 ruling on the *American Council of the Blind v. Astrue* requires that as of April 15, 2010, SSA must offer two additional notice formats (Braille and Microsoft Word CD) to applicants, beneficiaries, recipients, and representative payees who are blind or visually impaired. The order further requires SSA to consider "other" accommodation requests a blind or visually impaired person makes, other than the five total notice format options.

SUGGESTIONS TO ADDRESS FIELD OFFICE SERVICE DELIVERY CHALLENGES

SSA Funding

NCSSMA recognizes that there is no simple way to provide the necessary resources to SSA. We greatly appreciate the increased funding that SSA received for Fiscal Years 2009 and 2010. This includes the \$1 billion SSA received from the American Recovery and Reinvestment Act of 2009 (ARRA). About half of that funding was directed to reducing the backlogs in SSA. Had SSA not received this funding, the service SSA provides would be much worse and the disability backlogs would be unconscionable.

We are very supportive of the President's FY 2011 budget request for the Social Security Administration (SSA). The total SSA budget request is \$12.528 billion, which includes \$12,378,863,000 in administrative funding through the Limitation on Administrative Expenses (LAE) account. NCSSMA sincerely hopes that this Subcommittee and Congress will support at least full funding of the President's FY 2011 budget request for SSA. As was indicated earlier, the \$13.1 billion in LAE funding included in the Commissioner's proposed FY 2011 SSA budget would eliminate most of the backlogs, improve Field Office telephone service, address program integrity and quality concerns, and would yield significant improvement in service to the American public.

Staffing to Improve Field Office Telephone Service and Address Quality Concerns

Realistically the only way to make a significant improvement in Field Office telephone service and to address quality concerns is to add more staff to Field Offices. NCSSMA believes that an investment in Field Office resources will address program integrity concerns and yield positive benefits for the agency and the public. We estimate that it would take a minimum of one to two additional staff members dedicated solely to answering the telephones in each Field Office to significantly improve telephone service alone.

It is important to note that resources spent in Field Offices have consistently been an excellent investment as productivity in SSA Field Offices has continued to rise. SSA's productivity increased 1.89% in 2007, 2.72% in FY 2008 and 3.17% in FY 2009.

We suggest that improving Field Office telephone service should be an objective that is addressed as a priority. To improve Field Office telephone service, SSA could forward more Field Office calls to the Teleservice Centers. This would work during time periods when Teleservice Centers have a low volume of calls and would reduce busy rates in the Field Offices to a moderate degree. We do not advocate reducing Field Office busy rates at the expense of Teleservice busy rates. However, we believe the significant disparity in busy rates between Field Offices and Teleservice Centers must be examined and addressed.

We understand SSA's dilemma about where to invest agency resources. The Commissioner has repeatedly stated that it is a "moral imperative" to reduce the disability backlogs in the Hearing Offices and the DDSs, and we do not disagree. However, we would be remiss if we did not address the service delivery cost to the millions of members of the public that contact SSA's Field Offices every year. Every claim that ends up in a DDS or Hearing Office begins and ends in a Field Office. We have an obligation to provide effective, efficient and timely Field Office service, but require the necessary staffing to do so.

Improving SSA Online Services

We believe that SSA should pursue improving user-friendly online services to allow more transactions to be processed via the Internet. This would result in fewer visitors and telephone calls to the Field Offices and provide relief to address increasing claims workloads. Pursuit of the following initiatives would have a significant positive impact on Field Offices:

- Accelerate efforts to resolve authentication issues to allow more high volume transactions

such as benefit verification requests and replacement Social Security cards to be processed via the Internet;

- Accelerate efforts to integrate the Internet disability application with the medical and work questionnaire forms into one seamless process;
- Expedite the resolution of the legal issues that would allow electronically signed medical releases;
- Accelerate the development of an Internet SSI application process; and
- Require law firms that take disability claims and appeals for claimants to file their claims and appeals electronically.

Conducting a Comprehensive Review of the SSI Program

We support a comprehensive review of the SSI program to determine if the administrative costs of overseeing this program can be reduced. The SSI program is very complex. If it were simplified, it would result in substantial work hour savings for the agency.

One area that is very complex and time consuming is developing for living arrangements, income, and resources. The SSI program has numerous and complex rules to apply as compared to another income based program, the Part D Medicare subsidy. For example, SSA Field Offices spend considerable time determining whether an SSI recipient is over the \$2,000 resource limit. If an SSI recipient exceeds the resource limit, we stop the individual's SSI until they spend down below the resource limit and then they must reapply. This is especially problematic with representative payee organizations that have a difficult time monitoring the SSI recipients' resource balances.

SSI recipients are not encouraged to save once they receive SSI benefits. We support increasing the resource limit at least after the recipient begins receiving SSI, to provide the SSI recipient some means to help them escape from poverty. The resource limit for SSI was set at \$1,500 and \$2,250 for a couple in 1974. It was raised to \$2,000 for an individual and \$3,000 for a couple in 1989.

SSA Strategic Planning and Service Delivery Plan for Field Offices

Through the years, SSA has issued many strategic plans and performance reports that set the future agency goals and direction, but most usually had a short life. The current Commissioner developed a service delivery plan in 2008. This plan laid out a high level vision for SSA, but did not delve fully into some core SSA Field Office issues. (See: <http://ssa.gov/asp/>).

In the 2009 GAO report mentioned earlier in this testimony, GAO stated,

“As early as 1993 and most recently in 2000, we recommended that SSA develop a service delivery plan to help focus its efforts on meeting future challenges....Since 2000, SSA has not developed a detailed plan for providing services to an expanding population of customers brought on by the baby boom population reaching retirement age....SSA

remains without a plan that describes how it will continue to do more work with fewer resources and achieve its new strategic goals. It is not clear how SSA infrastructure, including the approximately 1,300 field offices with 27,000 employees, can accommodate the growing workload and field office visitor volume while ensuring quality customer service. Further while the plan includes strategies to significantly expand the use of electronic services, it is not clear how the increase of online services will mitigate the increasing workloads.”

We believe SSA needs to develop a comprehensive service delivery plan that clearly addresses all parts of the agency’s service, including Field Office telephone service and quality concerns. While the plan will not solve SSA’s problems without the commensurate level of funding needed to implement solutions, it will help to identify what will be necessary to address these issues and how to best use the available resources in a balanced and equitable manner.

Improving the availability of user-friendly Internet applications should be an important but realistic component of this plan. However, it needs to clearly address parts of the country where Internet access may not be readily available or practical for the public.

CONCLUSION

The staff of the Social Security Administration is highly committed to serving the American public, but we must have the tools and resources to do so. Field Offices are the service delivery engine of SSA and much of the agency’s current service delivery problems can be attributed to insufficient staffing levels in those offices. Over the past decade, the limited resources resulting from limited LAE levels resulted in decisions that led to disproportionately low allocations of staff to Field Offices. This has contributed to the current service delivery problems experienced by visitors and callers to our Field Offices. We hope that there will be a careful assessment of what can be done to improve our services. NCSSMA greatly appreciates the Subcommittee’s interest in the vital services we provide and the ongoing support to ensure that SSA has the resources necessary to provide adequate service to the American public.

On behalf of the members of NCSSMA I thank you again for the opportunity to submit this written testimony to the Subcommittee and to state our view points. NCSSMA members are not only dedicated SSA employees, but they are also personally committed to the mission of the agency and to public service. We respectfully ask that you consider our comments and would appreciate any assistance you can provide in ensuring that the American public receives the critical and necessary service that they deserve from the Social Security Administration.